## Fiscal Estimate - 2013 Session

Original Updated	☐ Corrected ☐	Supplemental				
LRB Number 13-2441/1	Introduction Number S	B-205				
<b>Description</b> Board of directors, powers and duties, including reporting requirements, and financial audits of the Wisconsin Economic Development Corporation						
Fiscal Effect						
Appropriations Reve		s - May be possible n agency's budget \B\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\				
Permissive Mandatory Perm  2. Decrease Costs 4. Decre	5.Types of Local Government Ur Towns Towns Counties School hissive Mandatory Districts	nits Affected Village Cities Others WTCS Districts				
Fund Sources Affected Affected Ch. 20 Appropriations  GPR FED PRO PRS SEG SEGS						
Agency/Prepared By	Authorized Signature	Date				
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## Fiscal Estimate Narratives WEDC 6/5/2013

LRB Number	13-2441/1	Introduction Number	SB-205	Estimate Type	Original	
<b>Description</b> Board of directors, powers and duties, including reporting requirements, and financial audits of the						
Wisconsin Economic Development Corporation						

## **Assumptions Used in Arriving at Fiscal Estimate**

Under this bill, changes would be made to the governance of the WEDC Board of Directors. In addition, it requires WEDC to include specific additional information to the annual report that is submit to the legislature by October 1 of each year. Furthermore, it requires WEDC to undergo an annual financial audit by the Legislative Audit Bureau (LAB) through FY19.

There is no significant fiscal impact for the portions of the bill that make changes to the governance of the WEDC Board of Directors or the additional reporting requirements.

However, there is a fiscal cost to the required financial audit conducted by the Legislative Audit Bureau, which would require WEDC to divert funding from existing programs and activities. Based upon previous audit services provided by LAB for WEDC, it is anticipated that it could cost up-to \$50,000 per year. In a letter dated October 18, 2012, Program Evaluation Director Dean Swenson of the LAB informed WEDC that the contract fees for audit services had a current billing rate of \$415 per day. This cost would be in addition to the independent financial audit WEDC is also required by its Board to procure each fiscal year as well.

Long-Range Fiscal Implications